

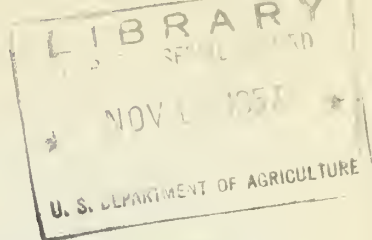
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# Foreign CROPS AND MARKETS



FOR RELEASE MONDAY, NOVEMBER 11, 1957

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PUBLICATIONS RELATING TO U. S. FOREIGN AGRICULTURAL TRADE

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U. S. Beef Breeding Cattle Inspected for Export. Foreign Agriculture Circular FLM 10-57.

Agricultural Policies of Foreign Governments. Agriculture Handbook No. 132.

Smaller World Cotton Crop Expected in 1957-58. Foreign Agriculture Circular FC 29-57.

# WEST GERMANY'S TOBACCO IMPORTS UP 9 PERCENT

Duty-paid imports of unmanufactured tobacco by West Germany manufacturers in the first half of 1956, totaling 81.2 million pounds, were 9 percent larger than the January-June 1956 level of 74.6 million. Takings of all types of tobacco increased.

TOBACCO, UNMANUFACTURED: West Germany, duty-paid imports by country of origin, January-June 1956 and 1957, with percent change

Country of origin	January-June 1956	January-June 1957	Percent change from Jan.-June 1956
	1,000 <u>pounds</u>	1,000 <u>pounds</u>	1,000 <u>percent</u>
United States .....	28,591	30,483	+ 6.6
Greece .....	16,583	18,484	+ 11.5
Turkey .....	8,472	7,289	- 14.0
Bulgaria .....	2,046	2,253	+ 10.1
Yugoslavia .....	727	844	+ 16.1
Soviet Union .....	1,025	899	- 12.3
Brazil .....	4,558	4,950	+ 8.6
Colombia .....	2,731	3,618	+ 32.5
Indonesia .....	3,743	3,309	- 11.6
Dominican Republic .....	2,207	2,494	+ 13.0
Cuba .....	704	980	+ 39.2
Italy .....	1,433	2,131	+ 48.7
India .....	97	86	- 11.3
Canada .....	164	897	--
Japan .....	105	41	- 61.0
Federation of Rhodesia and Nyasaland .....	936	1,316	+40.6
Communist China .....	71	117	+64.8
Thailand .....	34	493	--
Other .....	362	524	+44.8
Total .....	74,589	81,208	+ 8.9

Source: Der Aussenhandels der Bundesrepublik Deutschland--Teil 2, June 1957.

Imports of U.S. leaf were 1.9 million pounds greater than the January-June 1956 level of 28.6 million. Combined takings of non-U.S. flue-cured from Canada, Japan, Thailand, India, Communist China, Italy, and the Federation of Rhodesia and Nyasaland amounted to 5.1 million pounds, compared with 2.8 million last year. (Continued on page 4.)

West Germany's takings of oriental tobaccos from Greece, Turkey, Bulgaria, Yugoslavia, the Soviet Union, and Hungary, totaling 29.9 million pounds, were 3.6 percent larger than for the first half of 1956. Increased takings from Greece, Bulgaria, Yugoslavia, and Hungary were sufficient to offset reduced imports from the Soviet Union and Turkey. Total takings of cigar leaf excluding the United States, amounted to 15.4 million pounds, compared with 13.9 million in January-June 1956.

Average reported prices paid by West Germany manufacturers for unstemmed leaf from various countries during January-June 1957, in terms of U. S. cents per pound, were: Communist China--29.5; Thailand--36.2; India--39.9; Federation of Rhodesia and Nyasaland--41.3; Italy--42.9; Japan--43.0; Canada--48.2; and the United States--66.6. Prices paid for oriental leaf were: Bulgaria--35.2; Yugoslavia--46.5; Soviet Union--48.4; Greece--60.3; and Turkey--63.4.

#### INDONESIA ESTIMATES SLIGHTLY LARGER TOBACCO CROP IN 1957

Tobacco production in Indonesia in 1957 is estimated at 140.2 million pounds--slightly larger than the 136.1 million in 1956. Overall acreage remained about the same as in 1956, but flue-cured acreage was larger and plants were spaced closer in the row. Production increases are expected in the future because of closer planting and greater use of fertilizer. However, under Indonesian conditions, crowding may result in more disease damage and lower average quality.

Exports of unmanufactured tobacco are expected to be about 22.0 million pounds in 1957, in comparison with 26.1 million in 1956. Imports of unmanufactured tobacco are forecast at about 30 million pounds. Domestic consumption of tobacco is expected to increase slightly in 1957.

#### SPANISH TOBACCO CROP SLIGHTLY LOWER

Spain's tobacco production is estimated at 55.8 million pounds in 1957, compared with about 58.0 million in 1956. Imports for the first 4 months of 1957 amounted to 14.0 million pounds, of which 3.4 million were from the United States. During 1956 the United States supplied about 4.2 million pounds out of total imports of 50.0 million. There is a growing consumer demand for American-type cigarettes, which may result in larger purchases of U.S. leaf if exchange problems can be surmounted.

#### PORTUGUESE OUTPUT OF TOBACCO PRODUCTS DOWN

Output of tobacco products in Portugal during the first half of 1957 totaling 5.53 million pounds, was about 6 percent below the January-June 1956 level of 5.86 million. Cigarette output was 6.1 percent below the 4.97 million pounds produced during January-June 1956, and represented 84 percent of total output. Production of all other products continued to gradually decline.



# ITALIAN LEAF EXPORTS UP SHARPLY IN FIRST HALF OF 1957

Italian exports of unmanufactured tobacco rose sharply in the first half of 1957 to 15.2 million pounds; only 8.2 million were exported in the first half of 1956.

Leaf imports of 4.9 million pounds during the first 6 months of 1957 were the lowest in 3 years. No imports of U.S. leaf were recorded in the first half of 1957, and imports from Bulgaria and Greece were sharply under those during the first half of 1956. Imports of leaf from Turkey were slightly larger than in the first half of 1956.

Imported leaf averaged considerably higher in price--the equivalent of 77.6 U.S. cents per pound, compared with an average of 41.3 U. S. cents for exported leaf.

TOBACCO, UNMANUFACTURED: Italy, imports and exports by country,  
January-June 1955, 1956 and 1957

Country	Imports (January-June)			Exports (January-June)		
	1955	1956	1957	1955	1956	1957
	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds
Bulgaria.....	5,791	2,425	1,209	--	--	--
West Germany.....	--	--	---	2,402	1,462	4,088
Greece.....	2,232	2,589	1,052	--	--	--
Netherlands.....	--	--	5	884	1,427	2,255
France.....	--	--	--	1,722	1/	712
Sweden.....	--	--	--	1/	549	653
Switzerland.....	--	--	---	889	1,069	732
Turkey.....	3,398	2,448	2,658	--	--	--
United States....	2,444	60	--	806	1,693	2,447
Soviet Union.....	--	--	--	2,876	1/	1/
Other.....	2,750	232	1	2,518	1,985	4,313
Total.....	16,617	7,754	4,925	12,097	8,185	15,200

1/ If any, included in other.

## SPANISH MEAT PRODUCTION RISES

Meat production in Spain during 1957 is expected to exceed 1 billion pounds, an increase of 10 percent over 1956. Higher meat prices during 1957 have encouraged production and imports. Prices during 1957 averaged 90 percent above last year. Spain's largest meat imports during 1957 were from the United States. Over \$13.8 million worth of meat has been purchased from the United States this year for Spanish currency under Title I of Public Law 480. However, meat stocks are believed to be low at present. Spanish imports from other suppliers--Ireland, Brazil, and Denmark--rose in 1957.

# SWEDEN PROBABLY TO INCREASE PORK EXPORTS

Swedish pork exports are expected to rise from 18.5 million pounds during July 1956-June 1957 to 66 million pounds during July 1957-June 1958. Sweden's most important export markets for pork are West Germany and the United Kingdom.

Good feed grain crops in 1956 and 1957 have reduced the cost of hog production, and Swedish farmers have expanded their production. Relatively high pork production and exports are expected to continue through calendar year 1958.

# SOUTH AFRICA EXPECTS RISE IN MEAT PRODUCTION

Commercial livestock slaughter and meat production in the Union of South Africa is expected to rise during 1958.

LIVESTOCK SLAUGHTER, COMMERCIAL: Union of South Africa, 1954-56, estimated 1957, and forecast 1958, with percent change from previous years

Year	Cattle and calves		Sheep and lambs		Hogs	
	1,000 head	Percent change	1,000 head	Percent change	1,000 head	Percent change
1954.....	1,333	0	3,885	+ 1	588	- 7
1955.....	1,214	- 9	4,095	+ 5	599	+ 2
1956.....	1,397	+ 15	3,696	- 10	694	+ 16
1957.....	1,330	- 5	3,600	- 3	800	+ 15
1958.....	1,430	+ 8	3,800	+ 6	750	- 6

Source: The Livestock and Meat Industries Central Board.

Cattle and sheep slaughter declined during 1957 due to a reduction in imports of slaughter cattle from Bechuanaland, and a serious outbreak of foot-and-mouth disease which caused the loss of many animals. High prices for wool encouraged farmers to hold sheep back from slaughter for wool production. The forecast of a rise in slaughter in 1958 is based upon the assumption that foot-and-mouth disease will be controlled, and that increased numbers of livestock on farms will cause producers to move more animals to slaughter.

Near-record hog slaughter depressed hog prices during 1957 and a 6-percent decline is forecast for 1958.



# AUSTRALIAN WOOL PRODUCTION ESTIMATE LOWERED

The Foreign Agriculture Service now estimates Australian wool production at 1,550 million pounds in 1957-58. Severe drought conditions indicate that last July's official estimate of 1,603 million pounds is too high.

Officials of the Woolgrowers Council and the National Council of Wool Selling Brokers recently stated that a decrease of not less than 5 percent in the July forecast is now indicated. The official forecast will be revised by these groups at conferences to be held in December.

# CANADIAN MEAT PRODUCTION UP 4 PERCENT

Canada produced about 486 million pounds of carcass meat in inspected slaughterhouses during the third quarter of 1957. This was 19 million pounds, or 4 percent, more than in the same period of 1956.

Inspected slaughter during the third quarter was up for all classes of livestock except hogs. Although hog slaughter rose above 1956 levels during September, low slaughter in July and August offset this rise and brought third-quarter hog slaughter to 9 percent below 1956. Increases in hog slaughter are expected in the fourth quarter of 1957 and during 1958.

Hog prices dropped sharply during September and the first part of October. From the week ending August 31 to the week ending October 12, the price of Grade A hog carcasses in Toronto dropped 26 percent. Wholesale dressed pork cuts declined correspondingly. The average price of smoked boneless hams at Toronto dropped 25 percent. During the same period, weekly exports of pork products to the United States rose from 46 to 94 percent of exports for the corresponding weeks in 1956. Further continuation of these trends is expected.

Record cattle numbers and a strong demand for beef and mutton resulted in heavy slaughter of cattle and sheep during the third quarter of 1957.

INSPECTED SLAUGHTER: Canada <sup>1/</sup>, third quarter, 1953-57

Class	1953	1954	1955	1956	1957
	1,000	1,000	1,000	1,000	1,000
	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>
Cattle and calves....	850	614	610	708	757
Hogs.....	888	1,000	1,200	1,177	1,076
Sheep and lambs.....	192	189	192	182	195

1/ Excludes Newfoundland.

Source: Livestock and Meat Trade Report, Canadian Department of Agriculture.

Estimates of wool production in Uruguay for the 1957-58 season (October-September) have been revised upward from previous forecasts. Production is now estimated at 209 million pounds.

This represents an increase of 20 percent over last season's clip of 174 million pounds and marks the first rise in wool production since 1953-54. The sharp increase is attributed mainly to a large holdover of lambs from last year's crop, estimated as high as 4 million above normal holdovers.

Carry-in stocks of wool on October 1 were also larger than last season. These stocks were estimated at 31 million pounds, greasy basis, compared with 5 million pounds at the beginning of last season.

As a result of the relatively low level of carry-in stocks and a slightly smaller wool clip, raw wool exports during the 1956-57 season declined from the 1955-56 level. This drop had been expected because the previous season's shipments had included a large amount of carryover stocks. Compared with 1954-55, however, there was a 23-percent increase in the movement of raw wool in 1956-57.

Shipments of wool tops in 1956-57 declined 32 percent from the previous season but were virtually the same as in 1954-55.

RAW WOOL AND WOOL TOPS: Uruguay, exports, 1955-56 and 1956-57

Destination	Wool (greasy and scoured)		Wool tops	
	1955-56	1956-57	1955-56	1956-57
	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>
Netherlands.....	43,709	30,081	27,582	21,755
United Kingdom..	21,840	19,052	462	---
United States...	33,335	9,220	1,104	127
Italy.....	8,792	8,629	7,364	4,123
West Germany....	9,316	7,715	639	84
France.....	12,453	6,634	---	7
China, Mainland..	514	---	---	3,374
Switzerland.....	4,849	915	4,634	3,239
Others.....	29,271	11,760	13,249	4,550
Total.....	164,079	94,006	55,034	37,259

# JAPAN ORGANIZES MEAT IMPORT TRADE

Japan's rapid rise in meat consumption and importation has led butchers, food handlers, and importers to form a new central organization for handling imported meat. The new organization, the Japan Meat Importing Deliberative Association, will attempt to coordinate the activities of butchers, distributors, and importers with the supply and demand situation.

Meat imports during 1957 are expected to exceed 44.0 million pounds, a sharp rise over 1956 imports of about 6.5 million pounds. New Zealand is now the most important Japanese source of imported meat. Meat producers and exporters in New Zealand have been eager to find new export markets such as this. In their traditional United Kingdom market they are being faced with growing competition from meat produced in Argentina, Australia, and domestically in the United Kingdom.

The present high level of U.S. prices and the dollar shortage in Japan make it unlikely that the United States will ship appreciable quantities of meat to Japan in the foreseeable future.

## NEW ZEALAND PLANS TO INCREASE BEEF SHIPMENTS TO U.S.

Attractive prices in the United States for manufacturing-beef, and increased competition on the United Kingdom market from Australia and Argentina, have led New Zealand meat exporters to plan increased exports to the United States.

Regular steamer shipments to the United States west coast are now foreseen in New Zealand. U. S. imports of New Zealand boneless beef, which this year have been substantially above 1956 levels, took another sharp rise during August.

### BEEF, BONELESS: U. S. imports from New Zealand January-August 1956 and 1957

Year	January-June	July	August	January-August
	1,000 <u>pounds</u>	1,000 <u>pounds</u>	1,000 <u>pounds</u>	1,000 <u>pounds</u>
1956.....	1,293	1,002	695	2,990
1957.....	8,993	1,009	17,571	27,573

Source: U. S. Bureau of Census.

## DROUGHT REDUCES RICE CROP IN NORTHEAST INDIA

Drought has greatly reduced rice crop prospects in northeast India. The state hardest hit is Bihar, where lack of rain in September, continuing into October, caused heavy crop losses. Rice crops in the adjacent states of Uttar Pradesh, Madhya Pradesh, and Orissa also are seriously affected.

Over half of India's rice acreage is located in these 4 states. Total Indian rice acreage in 1956-57 was 78,170,000 acres; of this, Bihar and Madhya Pradesh had about 12,500,000 and 9,500,000 acres, respectively, and Uttar Pradesh and Orissa each had approximately 9,300,000 acres. Most of this acreage is not under irrigation.

## CUBA REPORTS LARGER CORN PRODUCTION

Cuba's 1957 corn production is estimated at 7.5 million bushels, slightly above the 1956 crop, now estimated at 7.3 million. Weather has been very favorable for the recently harvested summer corn crop. This is the main crop, normally amounting to about 85 percent of total corn production. The second crop, planted in August-October, accounts for the other 15 percent.

The use of hybrid seed is increasing and should step up yields enough to cover the feed industry's increasing demand for corn. Domestically grown corn is mixed with imported protein concentrates for feed. The principal use of corn in Cuba, however, continues to be for food.

The Cuban Government continues to encourage corn production. The support price of \$1.52 per bushel has been extended through June 1958, and growers can get financing at reasonable rates through a government-backed financial institution.

## CANADA'S WHEAT MILLING DOWN

Canada's wheat millings were the smallest of recent years during the marketing season ended July 1957. The low level of flour production reflects the substantial reduction in demand for flour for export--the smallest since the 1935-39 period.

During 1956-57 a total of 85.1 million bushels of wheat was milled into flour--6.7 million bushels less than in the preceding year and 42.7 million bushels below record grindings in 1946-47. Flour production was 37.6 million hundredweight, 2.5 million less than in 1955-56. This low figure is 6.3 million hundredweight below the 1940-44 average. The extraction for the 1956-57 season averaged 73.6 percent, on the basis of current estimates.



Canada's flour exports were reported at 15.0 million hundredweight, 2.4 million less than last season. Though well below the exports of recent years, they were still sharply above the 1935-39 average of 9.6 million hundredweight.

Wheat milled, flour production, and exports: Canada,  
averages 1935-39 and 1940-44, annual 1945-56

Year beginning August	Wheat milled	Flour produced	Flour exported
	1,000 bushels	1,000 hundredweight	1,000 hundredweight
Average:			
1935-39.....	67,845	29,405	9,604
1940-44.....	99,705	43,908	23,700
Annual:			
1945.....	118,075	52,018	28,362
1946.....	127,775	56,033	33,117
1947.....	109,822	47,353	26,777
1948.....	90,897	39,945	20,948
1949.....	90,083	39,708	19,896
1950.....	106,748	46,315	24,357
1951.....	104,494	44,771	22,258
1952.....	106,727	46,777	24,609
1953.....	91,855	40,770	20,143
1954.....	92,407	40,607	17,693
1955.....	91,770	40,149	17,391
1956: 1/			
August.....	7,873	3,449	1,493
September.....	7,230	3,193	1,209
October.....	8,038	3,541	1,461
November.....	8,297	3,636	1,390
December.....	7,118	3,144	1,264
January.....	6,952	3,074	1,454
February.....	6,736	2,992	1,216
March.....	6,684	2,983	1,207
April.....	6,429	2,858	1,328
May.....	6,684	2,968	1,007
June.....	6,265	2,765	804
July.....	6,833	3,022	1,166
Total.....	85,139	37,625	14,999

1/ Subject to revision.

From official reports of the Dominion Bureau of Statistics.



# CANADA ANNOUNCES INITIAL PAYMENTS TO WHEAT PRODUCERS

The Canadian Wheat Board has released its detailed price list covering initial payments to be made to producers for the various grades of wheat delivered during 1957-58. The advances are the same as those scheduled for deliveries in 1956-57. The advance on No. 1 Northern wheat was again fixed at \$1.40 per bushel in Canadian currency, in carload lots, basis in store, Fort William-Port Arthur or Vancouver. Initial payments for other grades have been fixed by the Wheat Board in their proper relation to the No. 1 Northern grade. Details of advances for some of the principal grades follow:

<u>Grade</u>	<u>Straight</u>	<u>Tough 1/</u>	<u>Damp 2/</u>
No. 1 Hard.....	\$1.40	\$1.36	--
No. 1 Northern.....	1.40	1.36	\$1.24
No. 2 Northern.....	1.36	1.32	1.20
No. 3 Northern.....	1.32	1.28	1.16
No. 4 Northern.....	1.25	1.21	1.09
No. 5 Wheat.....	1.08	1.04	.92
No. 6 Wheat.....	1.02	.98	.88
Feed Wheat.....	.96	.92	.82
No. 1 C. W. Amber Durum.....	1.50	1.46	1.34
No. 2 C. W. Amber Durum.....	1.47	1.43	1.31
No. 3 C. W. Amber Durum.....	1.40	1.36	1.24
No. 4 C. W. Amber Durum.....	1.31	1.27	1.15
No. 5 C. W. Amber Durum.....	1.13	1.09	.97
No. 6 C. W. Amber Durum.....	1.07	1.03	.93

1/ Moisture content for wheat other than durum, 14.6-17.0 percent, inclusive; for durum, 14.9-17.0 percent, inclusive. 2/ Moisture content over 17 percent.

## COLOMBIA AUTHORIZES ELIMINATION OR LOWERING OF EXPORT TAX

As part of its campaign to increase exports and in turn improve its balance of payments position, the Colombian Government passed a decree on September 25 authorizing the Instituto de Fomento Industrial (IFI) to encourage, aid, and control exports and eliminate or diminish payment of the 15 percent export tax, except in the case of exports of coffee, bananas, and precious metals.

Under the new measure the IFI can charge an exporter up to 2 percent of the export value in instances where it must verify the quality or specifications of the product. If the IFI actually promotes or arranges for the export of a product, a fee up to 10 percent of the value can be levied. Otherwise no fee or export tax will be levied.

## GREECE CHANGES WHEAT MILLING REQUIREMENTS

The Greek Government has revised its regulations governing the proportion of government-owned, open-market, and imported wheat that flour millers are required by law to use in their milling operations. A new regulation cancels the previous requirement that 25 percent of the grist be from government wheat stocks and establishes instead a ratio of 90 percent of open-market wheat to 10 percent imported wheat. This change, effective September 30, is part of the government's price-support mechanism.

Previously, the required 25 percent of government wheat was ground with 65 percent open-market wheat and 10 percent imported. Changes in the compulsory blend are made from time to time to maintain domestic wheat prices at the desired level, about \$2.46 per bushel. Reinstatement of a prescribed proportion of government stocks can be expected when open market supplies get low.

Official wheat purchases from this year's record wheat crop were approaching 500,000 metric tons in early October when the end of purchasing under the 1957 price-support program was announced. The cost of the large 1957 program is estimated to be more than double the outlay for the 1956 program.

## FRANCE ANNOUNCES IMPORT QUOTA FOR APPLES

The French Government has announced the opening of quotas for the importation of dessert apples from Italy, the Netherlands, Belgium-Luxembourg, and Yugoslavia. Trade sources in The Hague report that France has agreed to take 7,000 tons of apples and pears from the Netherlands before January.

## COSTA RICAN COFFEE REVENUE DECLINES

The average export price for the last two crops of Costa Rican coffee has been U.S. \$0.68 per pound, while the current average is approximately U.S. \$0.55 per pound. At this price, export revenues from the 1957-58 crop may be reduced by as much as 15 percent.

Various proposals have been made to meet the expected decline in revenue. Three suggestions are: (1) the Central Bank establish a price support level of U.S. \$0.60 per pound; (2) the Legislative Assembly levy a tax of U.S. \$0.02 per pound of coffee exported during the next 10 years in order to establish a price stabilization fund; and (3) a U.S. \$0.01 per-pound levy be adopted for a consumer propaganda program.

The Central Bank has authorized members of the nationalized banking system to increase coffee credit ceilings by 33 1/3 percent to about U.S. \$0.36 per pound. Costa Rica's coffee exports in recent years have accounted for about 50 percent of the total value of its exports.

## EL SALVADOR HARVESTS COFFEE; FACES FINANCE AND STORAGE PROBLEMS

Coffee harvest began in the Santa Ana area of El Salvador about the third week in October. Reports indicate that the crop in that area is excellent; earlier predictions had been gloomy because of a lack of rain.

It is reported that El Salvador will have a problem in financing and storing coffee to fulfill its part of the 7-nation Latin American coffee agreement. El Salvador's 3 ports will probably not accommodate more than 180,000 bags. These port warehouses have to be used for the storage of incoming merchandise and outgoing cotton, so other storage probably would have to be located or built in order to carry out the plan.

## CUBA'S POULTRY INDUSTRY EXPANDS

Broiler production in Cuba continues to expand moderately, and there appears to be a definite trend toward increased consumer demand for properly fed birds, as opposed to the native, unimproved criollo chickens. However, the poor-quality, yellow-skinned criollo continues to demand a premium in the Havana market. Early this year, broiler marketings reached an alltime high of 1,000,000 birds a month, in addition to approximately 200,000 criollos.

Seven hatcheries are now turning out about 900,000 chicks per month, requiring a monthly egg setting of approximately 1,200,000. Breeder flocks supply only about 780,000 eggs and the balance is imported. Local capacity is rated at about 1,500,000 eggs per month and is expanding moderately.

Supplementing local hatchery production, sizable quantities of baby chicks have been imported in the past from the United States. However, as a result of the severe import restrictions imposed on baby chicks, effective July 26, 1957, imports will be down sharply during the current fiscal year (see Foreign Crops and Markets, August 5, 1957). By the first of September, the entry of broiler chicks into Cuba was virtually blocked, although there has been little trouble in importing female chicks of egg-laying strains.

Commercial egg production is also expanding. During the early part of this year, egg production reached the level of 2,000,000 dozen per month, from about 240,000 hens in commercial flocks and an estimated 2 to 3 million criollo layers. With commercial flocks gradually expanding, total egg production during the current fiscal year will easily exceed 20,000,000 dozen. As a result, imports of table eggs from the United States are expected to drop to about 1.5 million dozen, compared with about 3 million dozen last year.

NEW ZEALAND FORECASTS HIGHER  
CASEIN PRODUCTION

New Zealand dairy companies are planning to increase the manufacture of casein during the July 1, 1957-July 30, 1958 season. Expansion has been encouraged by prices received during the last several years.

In the 1956-57 season, production of lactic casein totaled 21.5 million pounds, and rennet casein output totaled 8.7 million pounds. No actual forecast of 1957-58 production has been reported, but record production of both types of casein is expected.

Demand for lactic casein was heavy early this season, with much of the expected production already under sales contract. Spot sales quotations reported by the Dairy Products Marketing Commission in July showed prices ranging from 21.9 to 22.5 cents per pound.

The market for rennet casein is much more limited than that for lactic, and while a small increase from last year's production is not expected to affect the market, the Marketing Commission does not encourage any additional companies to enter into the manufacture of this type at present.

SMALL IRAQI DATE CROP ENTERS  
FAVORABLE MARKET

The 1957 Iraqi date crop is still estimated at 250,000 short tons, about 60 percent of average size, and 11 percent less than the small production of 280,000 tons in 1956. The new crop, considered above-average in quality, faces a strong market unhampered by carried-over stocks from previous crops.

Of the two date-producing regions in Iraq, production in the Basra area was most seriously affected by adverse growing conditions. The 67,000-ton Basra area 1957 date crop is reported to be 27 percent less than the 92,000 tons harvested in 1956. Date production during 1957 in the Central area is estimated at 183,000 short tons, compared with 188,000 tons in 1956.

Prices offered growers reflect the market's short supply. The Iraq Date Trading Company, a government monopoly, has increased growers' prices to include a "cleaning" allowance of approximately .23 U.S. cents per pound for the three top-quality and scarce date varieties. For picked-from-the-ground Hillawi varieties, the monopoly's price amounts to 1.96 cents per pound, yet black-market prices early in the season reportedly reached 2.73 cents per pound.

The government monopoly has also had difficulty in purchasing Zahidi dates, which bring an official price of only 1.23 cents per pound. On the other hand, black-market prices were reported to be as high as 3.09 cents per pound when merchants were bidding to load the first shipment of dates to India. Date smuggling to Iran, according to other reports, has become so prevalent that additional customs policing has been ordered. The date trading monopoly for the Central area was discontinued on August 31, 1957 (see Foreign Crops and Markets, June 3, 1957).



## SPANISH ORANGES MEETING GOOD EXPORT DEMAND

Foreign demand for oranges in Valencia, Spain, is reportedly good despite relatively high opening prices. Buyers from West Germany, Belgium, the Netherlands, and Scandinavian countries have been particularly active. Exports of Satsumas and Clementines have already started; Navels will get underway about November 11, Cadeneras about November 25, and Comunas, December 5.

## AUSTRIA FACED WITH SURPLUS MILK SITUATION

The dairy situation in Austria has changed from one of occasional shortages to one of burdensome surpluses as a result of increased milk marketings without an accompanying rise in consumption.

On July 17, 1956, the fixed producer price of milk was raised from \$2.38 to \$3.23 per cwt. Producers responded by curtailing farm uses of milk, and during the August 1, 1956--July 31, 1957 crop year, marketings rose 20 percent above the previous year's level. Efforts to increase fluid consumption have failed, and the bulk of the surplus production has been utilized for butter manufacture. The dairy industry's "eat-more-butter" campaign, however, has not effectively counteracted the price differential between butter and margarine. The fixed domestic retail price of butter (61 cents per pound) is more than double the retail margarine price.

The government has turned to subsidized butter exports as a relief measure. During 1956-57, 9.3 million pounds of butter were exported at an average subsidy of 21 cents per pound, financed out of a special fund to which the dairyman contributed 5.2 cents for each hundred pounds of milk marketed. When surpluses continued to mount, it was necessary to increase the dairyman's contribution to 10.4 cents per cwt.

Dairy industry leaders have suggested several remedial measures. The only one adopted was the introduction of fluid milk with a 3.6 percent butterfat content rather than the usual standardized 3.2 percent. But the higher butterfat milk did not meet with successful sales because consumers preferred the low-priced standardized milk. At present, the dairy industry faces continued high marketings forecast for 1957-58, fixed retail prices with no reduction in sight, a forecast butter surplus of between 14 and 15 million pounds, and subsidy levels on exports which, if continued, may total 3 million dollars.

Under these circumstances, the Austrian Milk Marketing Board is expected to minimize foreign competition by continuing present fixed prices and strict foreign trade controls. In the near future it is probable that the country will curtail all dairy imports with the exception of small imports of nonfat dry milk for animal feeding.



# TURKISH GOVERNMENT SETS NEW FILBERT EXPORT PRICE

A minimum export price of 45 cents per pound, f.o.b. Turkish ports, for shelled filberts, has been announced by the Turkish Government, effective October 10. This is substantially below the original minimum export price of 54.5 cents established a year ago for the 1956 crop. This price, however, was progressively reduced during the 1956-57 season.

European buyers are currently paying about 34 cents, f.o.b. for old-crop and 42 cents, f.o.b., for new-crop Turkish filberts. Various currency exchange transactions have enabled export sales to be made well below the official minimum prices.

## SOUTH AFRICA'S CITRUS EXPORTS NEAR END

Exports of citrus fruits from the Union of South Africa during the current season now total about 7,250,000 boxes. Heavy rains have been hampering harvest, packing, and exports, so it is doubtful if exports will reach the original goal of 7.5 million boxes. The South African Citrus Control Board hopes to move a total of 7 million boxes of oranges and 500,000 boxes of other citrus before the season ends around the last of November.

## NETHERLANDS PEA HARVEST MODERATE IN 1957

The 1957 dry pea harvest in the Netherlands is regarded by the Dutch as only moderate at 2.6 million bags. The harvest is 53 percent larger than the 1.7 million bags produced in 1956, but is 10 percent less than the 2.9 million in 1955. Rain in March, dryness during the flowering season, poor soil structure, and virus infections are said to have deterred higher production in 1957.

Acreage has not been reported. This year's crop includes 2.1 million bags of small blue peas, 315,000 Marrowfats, and 136,000 Dun and Grey peas. Netherlands pea production has been trending upward since 1950 after a period of low production during and after the war when annual production fell to 1 to 1.5 million bags.

The Netherlands is a net exporter of about 1 to 1.7 million bags of peas per year and imports about  $\frac{1}{2}$  million. Major destinations and origins of Netherlands dry pea trade are:

Country	Exports			Country	Imports		
	1954	1955	1956		1954	1955	1956
	- -	1,000 bags	- -		- -	1,000 bags	- -
United Kingdom.....	924:	512:	396:	Belgium.....	250:	135:	210
West Germany.....	434:	522:	661:	France.....	211:	16:	63
Belgium.....	52:	48:	103:	Ethiopia.....	18:	56:	8
Norway.....	55:	109:	61:	Moscow.....	125:	65:	8
Ireland.....	36:	42:	37:	China.....	11:	0:	240
Other.....	179:	312:	418:	Other.....	116:	136:	83
Total.....	1,680:	1,545:	1,676:	Total.....	731:	408:	612

## IRANIAN WALNUT AND PISTACHIO CROPS LARGER

The 1957 Iranian walnut crop is estimated at 16,800 short tons, unshelled basis, or slightly larger than the 1956 crop of 16,500 tons. The 1957 pistachio crop, however, is considerably larger than last year's flood-damaged crop, being estimated at 7,700 short tons, unshelled. Last year's pistachio crop totaled only 2,200 tons.

Walnut exports are expected to be about the same as last season--5,500 tons, unshelled basis. Pistachio exports should be considerably larger this marketing season than last. About 6,000 tons of pistachio exports are anticipated, compared with 1,700 tons in 1956-57.

PRICES QUOTED FOR CANNED PEACHES  
AND PEARS AT BONN

West German importers' selling prices (first handlers) for U. S. heavy syrup canned peaches ranged between \$4.43 and \$4.57, basis dozen 2½ size cans, as of the last week in October. Retailers' and wholesalers' associations, through pooling their orders and placing them directly with California canneries have been able to shave this price to \$4.23 per dozen. Imports of canned pears were light, due to the small West German demand. Late October prices per dozen No. 2½ cans quoted by importers were from \$5.14 to \$5.43.

PORTUGUESE BEAN PRODUCTION  
LOWEST IN 8 YEARS

Portugal, a recent exporter of beans to other countries of Western Europe, produced only 873,000 bags in 1957, the smallest harvest since 1949. Production in 1956 was 1,046,000 bags, and the 1950-54 average was 1,170,000 bags.

During some of the high production years of the early 1950's, Portugal became a net exporter of 200,000 bags or more, whereas prior to 1950, net imports averaged 200,000 bags. It would appear that Portugal may be back on the net import basis in 1957-58, thus depriving certain importing markets of hitherto available Portuguese supplies.

Reduced production in Portugal, the United States, and other areas (see Foreign Crops and Markets, November 4, 1957) is causing price rises in Europe. Michigan pea and other canning beans recently brought progressively higher prices in London when sizable purchases were made by large canners who were anxious to cover requirements before prices moved even higher.

Prices of Chilean arroz beans were quoted at \$7.75 per 100 pounds c.i.f. London on October 26, up more than \$1 since early September. Ethiopian and South African Whites were up about 50 cents per 100 pounds. Michigan pea beans touched \$7.56 per 100 pounds ex store London for both No. 1's and choice handpicked; the price was around \$7.19 a week earlier.

MEXICO'S VEGETABLE OIL OUTPUT UP SLIGHTLY;  
EDIBLE OIL DOWN

Production of all vegetable oils in Mexico in 1957 is forecast at 248,700 short tons, up slightly from the 244,700 tons produced in 1956.

OILSEEDS AND VEGETABLE OILS: Production in Mexico,  
1956 and forecast 1957

Commodity	Seed		Oil	
	1956	Forecast 1957	1956	Forecast 1957
	Short tons	Short tons	Short tons	Short tons
Edible:				
Cottonseed.....	895,000	965,000	129,940	109,600
Sesame.....	100,000	88,000	33,125	47,800
Peanut.....	82,600	71,600	3,960	2,340
Rapeseed.....	8,800	6,600	2,470	1,850
Olive oil.....	--	--	11	13
Total.....	1,086,400	1,131,200	169,506	161,603
Palm:				
Copra (coconut oil).....	101,410	104,720	58,200	69,450
Palm kernel.....	18,200	18,750	10,900	11,250
Total.....	119,610	123,470	69,100	80,700
Industrial:				
Flaxseed (linseed oil)....	1/ 14,300	2/ 11,000	4,010	3,950
Castor.....	5,500	6,600	2,100	2,450
Total.....	19,800	17,600	6,110	6,400
Grand total.....	1,225,810	1,272,270	244,716	248,703

1/ 5.1 million bushels. 2/ 3.9 million bushels.

Mexico's edible oil output this year is expected to be slightly smaller than in 1956, a result of smaller cottonseed oil production. On January 1, 1957, there were large stocks of cottonseed oil--around 44,000 tons--so less cottonseed is being crushed this year. Sesame oil production is forecast at almost 48,000 tons, one-third more than 1956 production. The increase is a result of large sesame seed stocks--100,000 tons--on January 1, 1957. Production of peanut oil and rapeseed oil, produced in minor quantities, will probably be slightly smaller this year than last.

Coconut oil production thus far in 1957 has been up sharply from 1956. A temporary prohibition of tallow imports was responsible for increases in prices and demand for coconut oil; thus production is up this year. The restriction was relaxed in July when import permits for 3,350 short tons of tallow were granted. In October, permits for 7,990 tons were granted.

Linseed oil production this year is expected to be almost equal to that of last year, but castor oil output probably will be about 15 per cent greater.

# TRANSSHIPMENTS OF MEXICAN COTTON DECLINE IN AUGUST

Transshipments of Mexican cotton through United States ports in August 1957 were 64,000 bales (500 pounds gross), less than half the total of 158,000 bales for August 1956. Sharpest declines were in transshipments to Japan and West Germany.

Quantities transshipped in August 1957, with figures for August 1956 in parentheses, were: United Kingdom 13,000 bales (14,000); Japan 12,000 (63,000); Belgium 12,000 (12,000); West Germany 9,000 (28,000); Italy 5,000 (10,000); Netherlands 5,000 (6,000); and Switzerland 4,000 (3,000).

These transshipments are in addition to direct exports from Mexico to foreign destinations, which were about 27,000 bales in August 1957, and 11,000 bales in August 1956.

## U. S. COTTON EXPORTS LOWER THAN LAST YEAR

United States exports of cotton (all types) in September 1957 were 394,000 bales of 500 pounds gross. This was an increase from August exports of 351,000 bales, but was 25 percent less than September 1956 exports of 526,000 bales. Exports during August-September 1957 were 745,000 bales, 23 percent below those of 966,000 bales a year ago.

Most of the decline was in exports to Italy and France, with moderate declines to India, Canada, Korea, and Japan. Exports to West Germany increased slightly.

Cotton sales by the Commodity Credit Corporation under the 1957-58 export program for export between August 16, 1957, and July 31, 1958, totaled 3,726,638 running bales as of October 29. The CCC selling price of Middling 1 inch, average location on October 29, was 27.32 cents per pound, the same as on October 1. Prices declined slightly from the March 19 average location price of 27.47 cents to a low of 27.23 cents on September 3.

Beginning with the November offers, CCC will add carrying charges in determining acceptable sales prices. The schedule of carrying charges for each of the remaining months of the 1957-58 marketing year follows:

<u>Month</u>	<u>Points</u>	<u>Month</u>	<u>Points</u>	<u>Month</u>	<u>Points</u>
November	25	February	70	May	115
December	40	March	85	June	130
January	55	April	100	July	145



COTTON: United States exports by country of destination, averages 1935-39 and 1945-49, annual 1955 and 1956, August-September 1956 and 1957

Country of destination	(Bales of 500 pounds gross)						
	Year beginning August 1				August-September		
	Average		1955	1956	1956	1957	
	1935-39:	1945-49:					
	1,000	1,000	1,000	1,000	1,000	1,000	
	bales	bales	bales	bales	bales	bales	
Austria.....	0	1/ 36	18	54	10	7	
Belgium.....	169	131	30	337	38	43	
Denmark.....	33	14	3	25	3	4	
Finland.....	35	21	16	33	7	3	
France.....	662	575	178	433	98	17	
Germany, West.....	511	340	74	1,061	96	118	
Italy.....	442	489	105	720	151	68	
Netherlands.....	107	131	17	260	34	14	
Norway.....	17	7	(2/)	21	2	2	
Portugal.....	36	(2/)	5	91	15	4	
Spain.....	108	69	143	174	9	4	
Sweden.....	115	12	10	111	7	17	
Switzerland.....	11	26	14	121	19	16	
United Kingdom.....	1,346	488	153	1,050	119	120	
Yugoslavia.....	17	47	109	141	1	0	
Other Europe.....	3/ 276	4/ 159	6	65	3	35	
Total Europe.....	3,885	2,545	881	4,697	612	472	
Canada.....	301	275	75	380	51	27	
Cuba.....	11	16	11	31	6	10	
Israel.....	(5/)	5	15	19	2	0	
Hong Kong.....	(5/)	35	45	95	6	21	
India.....	52	86	9	301	36	7	
Indonesia.....	(5/)	5	15	43	10	7	
Korea, Republic of.....	(5/)	6/ 48	135	220	34	8	
Japan.....	1,142	585	873	1,588	152	133	
Philippines, Republic of..	2	4	12	36	6	6	
Taiwan (Formosa).....	(5/)	1	124	161	0	(2/)	
Bolivia.....	4	2	13	11	(2/)	0	
Chile.....	9	20	14	74	11	11	
Colombia.....	20	24	27	52	19	20	
French North Africa.....	(5/)	4	6	17	2	0	
Australia.....	9	7	28	81	10	7	
Other countries.....	7/ 154	8/ 403	37	9/ 107	9	16	
Total 500-lb. bales..	5,589	4,065	2,320	7,913	966	745	

1/ 4-year average. 2/ Less than 500 bales. 3/ Includes Czechoslovakia 65, and Poland 180. 4/ Includes Czechoslovakia 57, Greece 21, and Poland 69. 5/ If any, included in other countries. 6/ 3-year average. 7/ Includes China 117, and French Indochina 22. 8/ Includes China 401. 9/ Includes Pakistan 28, Union of South Africa 31, and Uruguay 15.



# U. S. EXPORTS OF AMERICAN-EGYPTIAN COTTON DROP SHARPLY

United States exports of American-Egyptian cotton in September 1957 were only 56 bales of 500 pounds gross, down slightly from exports of 99 bales in August, but sharply below exports of 8,934 bales in September 1956.

Exports during August-September 1957 totaled only 155 bales, compared with 10,436 bales a year earlier. Only small quantities were exported to France, Italy, and the United Kingdom, in contrast to much larger volume to these and other Western European countries last year. No exports of extra-long staple were shown for India and Japan.

COTTON: United States exports of American-Egyptian cotton by country of destination, annual 1954-56, August-September 1956 and 1957

(Bales of 500 pounds gross)

Country of destination	Year beginning August 1			August-September	
	1954	1955	1956	1956	1957
Austria.....	0	0	1,322	425	0
Belgium.....	0	0	159	53	0
France.....	103	640	7,150	78	121
Germany, West.....	0	169	456	0	0
Ireland.....	0	0	210	0	0
Italy.....	0	233	5,749	848	18
Netherlands.....	0	0	34	23	0
Portugal.....	0	0	796	0	0
Spain.....	0	15,002	15,539	7,924	0
Sweden.....	0	3	211	0	0
Switzerland.....	0	272	1,325	158	0
Trieste.....	0	0	369	369	0
United Kingdom.....	93	96	22,319	334	6
Yugoslavia.....	0	1,315	398	0	0
Israel.....	240	(1/)	0	0	0
India.....	0	603	952	218	0
Japan.....	0	21	4,544	4	0
Pakistan.....	0	3,156	0	0	0
Colombia.....	0	0	51	0	0
Other countries.....	0	45	3	2	10
Total 500-lb. bales:	436	21,555	61,587	10,436	155

1/ Less than 1 bale.

Compiled from official records of the Bureau of the Census.

INDIA TO IMPORT COTTON FROM  
SOFT CURRENCY AREAS

The Government of India announced October 21, 1957, that licenses would be granted for imports of 15,000 bales (400 pounds gross) of Egyptian and Sudanese cotton stapling over 1-3/16 inches. The licenses will be issued on a "first-come-first-served" basis to mills, and to importers with firm orders from mills, and will be valid for shipment up to 6 months from date of issue.

The varieties of cotton qualifying under this staple designation are: Egyptian Karnak, Menoufi, and Giza 30; and Sudanese Gezira 'S' down to CG6S, Gezira 'L' down to G6L, and private estate cottons down to P6L. Licensing of this 15,000 bales was reported to be nearly completed by the end of October, with the quota almost entirely filled by Sudanese cotton.

The Government of India also announced October 21, 1957, that an additional 10,000 bales of Egyptian cotton stapling over 1-3/16 inches would be permitted under special rupee payment terms. These licenses will be valid up to December 31, 1957.

EGYPTIAN COTTON PRICES  
DECLINE IN 1957

Prices of Egyptian cotton on the Liverpool market have declined almost continuously in 1957, reversing the uptrend in 1956, and dropping to the lowest levels in recent years. The price of Karnak, FG, c.i.f. Liverpool dropped 39 percent from an average of 82.91 U. S. cents in January to only 50.93 cents in October, the lowest price recorded in the last 7 years. Prices in 1956 had ranged erratically upward from 59.04 cents in January to 86.84 cents in May, a 4-year high; dropped off during the summer months, and increased again in October during the Suez difficulties.

Prices on the Alexandria market also have declined during 1957, although by a smaller amount than c.i.f. prices, due to the government's system of exchange premiums paid to cotton exporters. The average spot price in January (plus export tax) for Karnak, FG, at Alexandria was 79.49 cents per pound. It dropped 23 percent to 61.05 cents in October. It will be noted that the October Liverpool price is about 10 cents below the Alexandria quotation. Normally the landed price of cotton is about 3 to 5 cents higher than the domestic price.

Egypt's system of exchange premiums for cotton exports began in March 1957, and is expected to end December 31, 1957. Premiums have varied according to the currency received for the cotton, ranging earlier in the season as high as 25 percent for hard currency and 20 percent for most Western European currencies. Premiums were reduced to 10 percent in September and October for exporters who repatriate hard currency direct to Egypt, and they will be only 5 percent in November and December. Provisions for payment through Egypt's European clearing accounts, partly in Egyptian pounds, also will continue until December 31, 1957, (Foreign Crops and Markets, Sept. 23, 1957).

# NYASALAND EXPANDS PRODUCTION OF TUNG

Nyasaland plans to expand production of tung nuts in the Northern Province. Its Colonial Development Corporation hopes to have 6,000 acres in tung trees in another year. There are now about 4,700 acres in tung trees--including those on estates which have not yet reached maximum production.

A tung oil crushing plant was opened October 1 by the Development Corporation's Vipya Tung Project. Valued at £ 45,000 (\$126,000), the plant has a crushing capacity of 1,500 long tons yearly but will operate at one-third capacity for some time. It will produce an estimated 130 tons of oil in 1957.

# DROUGHT HURTS COLOMBIAN CROPS

Extensive drought in Colombia during the past several months has damaged crops--particularly corn, beans, wheat, barley, and cotton. Corn production is expected to be 5 percent, beans 40 percent, and cotton 15 percent lower than last year. Wheat and barley have been hurt, but estimates still point to slightly larger crops than last year.

Over much of Colombia, the spring rainy season, which usually starts about mid-February and continues through May, was short; and rainfall was lighter than usual. The fall rainy season was a month to 6 weeks' late.

Colombia's leading export crop--coffee--has suffered only minor damage, as the drought has affected mainly the non-coffee producing areas. Coffee production for 1956-57, estimated at 7 million bags of 132.276 pounds each, was larger than the 1955-56 harvest. Colombia is not agriculturally self-sufficient, and normally imports wheat, barley, edible oils, cacao, and cotton to meet its needs. In addition to these commodities, corn and bean imports also will be needed.

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